

## **BOARD MEETING DATE: March 12, 1999 AGENDA NO. 43**

#### **PROPOSAL:**

Consider Proposed Amendments to AQMD Permitting Policy E-6, and Development of a Compliance Policy for Portable Equipment Inspections in Support of Environmental Justice Initiative No. 9, Portable Equipment Permitting Practices

#### **SYNOPSIS:**

Staff has developed proposals intended to be more specific in the way various locations permits are issued, to update the operating conditions on existing various location permits, to establish a compliance protocol for the inspection of portable equipment and to ensure that the proposals complement the statewide portable equipment registration program. These changes in policy are intended to ensure that sensitive receptors are not subject to adverse air quality impacts due to the operation of portable equipment.

#### **COMMITTEE:**

Stationary Source, February 19, 1999, Reviewed

#### **RECOMMENDED ACTION:**

Approve policy changes and initiate development of amendments to Rule 209 for future Board consideration.

Barry R. Wallerstein, D.Env. Executive Officer

# **Background**

On September 12, 1997, the AQMD Governing Board approved ten Environmental Justice Initiatives including a set of guiding principles. These Initiatives and guiding principles are intended to provide a means by which all communities in the South Coast Air Basin (Basin) are accorded the full benefits of clean air attainment. The ninth initiative states that: "The Governing Board will consider amendments to the current permitting practices for portable equipment to further ensure that the movement and subsequent operation of such equipment does not cause localized adverse air quality impacts, especially as relates to sensitive receptors such as schools. This Initiative will be pursued in a manner which complements the existing statewide registration program."

#### **Various Locations Permits**

The concept of issuing a permit to operate equipment at more than one specific location began in the late 1970's because for some equipment relocated frequently it was noted that it was not possible to evaluate the equipment and issue a permit before it was moved to a new location. It was decided that certain

types of equipment involved in frequent relocations should be given various-locations permits by the AQMD. As this practice continued, other categories of equipment not typically relocated often also began receiving various-location permits to reduce the permitting workload on the AQMD and operators of this equipment. Table I in the attachments lists the types of equipment and approximate number issued various locations permits by the AQMD. Table II lists additional equipment issued various-locations permits, with some categories having only one or two active permits.

Over the years, the AQMD has received numerous complaints about portable equipment moving into a residential neighborhood or near a school. The very nature of how portable equipment is used is one of the problems. Often the equipment shows up in a neighborhood overnight with no warning or explanation to the residents as to what the duration or nature of the operation will be. There is increased traffic, dust on the property and odors from diesel exhaust or the process itself. The residents will often tolerate the problem for a short period, but if the nuisance continues for longer periods the impacts become less tolerable, and neighbors will often ask the AQMD to control the operator.

When portable equipment is evaluated for a permit by an engineer, operating limits are determined which would not violate any AQMD rule or regulation including local air impacts. Conditions are on the permit to ensure that the equipment can operate in compliance at the first location and compliance can reasonably be expected at subsequent locations. Sometimes these conditions are not extensive enough for every other location.

Another problem is that it is harder to assess secondary effects such as odors, increased traffic, and fugitive dust for each location where the equipment will ultimately be operated.

# **Proposal**

The goal of staff is to establish permitting practices for portable equipment that ensure the movement and subsequent operation of such equipment does not cause localized adverse air quality impacts, especially as it relates to sensitive receptors such as schools, while at the same time retaining the ability to issue various-locations permits to those that really need them. In addition to permitting practices, compliance procedures are also required to ensure that movement and subsequent operation do not cause a localized air quality impact.

To accomplish this, staff is proposing amendments to a long-standing permitting policy that gives permitting engineers direction on the criteria to be considered in evaluating applications for equipment to be operated at various locations, and the operating requirements that must be placed on the permit as a condition of issuance. One of those conditions is a requirement for notification to the AQMD when the equipment has resided at a location for a specified period. Many of the current permits have different notification requirements. The revised policy will standardize the notification condition. Staff is also proposing a new compliance policy that establishes a procedure for assessing the potential for a localized impact at a specific site when the AQMD is notified of the equipment movement. Included is a process for notifying the operator and seeking voluntary mitigation when an impact is anticipated and steps to be taken within the AQMD if voluntary mitigation is not offered. This is in addition to current enforcement practices. Copies of the policies are included as attachments. Additional guidance documents will be provided to staff as these policies are implemented.

In addition to the initial permitting process, Rule 204 authorizes a review of conditions on existing permits at the time of annual renewal and amendments of those conditions as necessary to assure compliance with all applicable regulations. The proposed permitting policy specifies this to be completed at the time of each annual renewal for all equipment issued permits for Various Locations.

Although some requirements such as New Source Review (NSR) or the California Environmental Quality Act (CEQA) process are applicable only at the initial permit issuance for construction or modification, the source specific rules and prohibitions are also applicable at annual renewal. The annual review will ensure a level playing field for holders of all various locations permits.

In evaluating the current permitting practices, staff determined that the duration of exposure, the proximity of exposure and the magnitude of exposure determine localized impact. Although AQMD permitting practices address the above criteria, they are not enforceable standards as are those specified in AQMD rules. To ensure long-term compliance, staff proposes that rulemaking be initiated to amend Rule 209 and other District rules, as appropriate, to specify the equipment and operating standards for issuance of permits for various locations. Also, for equipment that would no longer be eligible for a various-locations permit, and requires a site evaluation for each new location, rulemaking should be initiated to establish a class of permit for equipment relocation without modification along with an appropriate fee schedule.

## **Resource Impacts**

Staff believes that there will be a minimal impact on industry for notification requirements and other ramifications resulting from the adoption of these proposed policies. Relative to AQMD staff implementation of the proposed policies, it is anticipated that an increase in staff time will be required. The increased time required is for annual review and reissuance of current various-locations permits, inspections and any required follow-up resulting from notification by sources, and the efforts by the Community Response Teams when required. Additional resources are not requested. The required effort will be assigned into other ongoing AQMD programs and is expected to utilize the combined equivalent of one FTE (full-time employee). This resource requirement will be offset in whole or in part by preventing resource intensive problems before they occur.

#### **Attachments**

Table I – Various-Locations Permits Issued by AQMD
Table II – Additional Equipment Permitted Under Various Locations
Proposed changes to Engineering Policy E-6
Proposed Compliance Policy

TABLE I Various-Locations Permits Issued by AQMD

PERMITTED EQUIPMENT	APPROXIMATE NUMBER ISSUED
Abrasive Sand Blasting Cabinet and Controls	19
Aggregate Screening and Crushing Plants	72
Asphalt Batch Plants	7
Asphalt Day Tankers	70
Asphalt Tar Pots	87
Boilers	20
Concrete Batch Plants	12
Negative Air Machines (Asbestos Removal)	1462

Open Sand Blasting	300
Open Spray Coating Equipment	85
Pavement Grinders	10
Pavement Heater & Scarifiers	24
Pavement Strippers	6
Portable Gas Turbines	1
Portable Internal Combustion Engines (ICE)	4100
Soil Vapor Extraction Equipment	330
Tank Degassing Equipment	13
Vapor Recovery and Destruction Equipment	4
Wastewater Treatment Equipment	27

TABLE II **ADDITIONAL EQUIPMENT PERMITTED UNDER VARIOUS LOCATIONS** 

BULK LOAD/UNLOAD GRAIN	CATALYST RECOVERY
CRUDE OIL, PRODUCTION	CRUDE OIL/GAS/H2O SEP SYS (< 30 BPD)
DEGREASER OTHER SOLVENTS <=1 LB/D VOC	DEGREASER, COLD SOLVENT SPRAY
DEGREASER, COLD SOLVENT SPRAY	DRY FILTER
FOAM-IN-PLACE PACKAGING	GREEN WASTE SCREENING
GROUNDWATER TREATMENT SYSTEM	INCIN M-C RETORT NON-HAZ 51-100 LB/HR
LIME & LIMESTONE BLENDING	LUBE OIL.& GREASES, DISTILLATION
MISC MATERIALS RECOVERY	MISC MATERIALS TREATING
MISC MINERALS CONVEYING	MISC MINERALS SIZE CLASSIFICATION
MOBILE REFUEL STORAGE/DISPENSE GASOLINE	NATURAL FERTILIZER CONVEYING
ORGANIC CHEMICALS MISC BLENDING	OVEN, DRYING
PLASMA ARC CUTTING	PLASTICS & RESINS MELTING
RESIN/GEL COAT SPRAYING	RUBBER BLENDING
SAND CONVEYING	SCRUBBER, OTHER VENTING S.S.
SERV STAT STORAGE & DISPENSING GASOLINE	SEWAGE SLUDGE DRYING
SILICA SAND BLENDING	SLUDGE DEWATERING
SLUDGE DRYER	STORAGE CONTAIN, BAKER-TYPE W/CTL CRUDE
STORAGE CONTAIN, BAKER-TYPE W/CTL CRUDE	STORAGE SILO CEMENT

STORAGE SILO MISC MATERIALS	STORAGE SILO SYNTHETIC RUBBER
STORAGE TANK AMMONIA	STORAGE TANK ASPHALT <=50,000
	GALLONS
STORAGE TANK CEMENT	STORAGE TANK DIESEL
STORAGE TANK FUEL OIL	STORAGE TANK FX RF W/CTL MISC
STORAGE TANK FX RF W/CTL MISC	STORAGE TANK GASOLINE
STORAGE TANK MISC MATERIALS	STORAGE TANK OTHER AGGREGATE
STORAGE TANK PETROLEUM LIGHT	STORAGE TANK SILICA SAND
DISTILLATE	
TANK TRUCK (ONE RACK) ASPHALT	VACUUM MACHINE
VACUUM PUMPS	WOOD CHIPS, ETC SIZE
	CLASSIFICATION
WOOD MATERIAL CONVEYING	



# South Coast Air Quality Management District Procedure

# SCAOMD PERMITTING POLICY

Subject: PERMITS TO OPERATE ISSUED Date: February 18, 1999

FOR "VARIOUS LOCATIONS" No. E-6

#### 1.0 POLICY

Portable equipment that is relocated periodically will be identified on the permit as having "Various Locations" as the equipment location.

#### 2.0 GENERAL

Equipment that is required by the nature of its operation to be frequently relocated with very little advance notice to the operator requires special management. Often relocation will be required before the permitting process can be completed, even under the most expedited processing scenario. To avoid this problem the equipment listed in 3.0 below is authorized to receive "Various Locations" permits as the designated equipment location.

# 3.0 EQUIPMENT AUTHORIZED TO RECEIVE "VARIOUS LOCATIONS" PERMITS

To qualify, equipment must be portable and periodically relocated, and the operator must demonstrate the necessity of the equipment being periodically moved from one location to another because of the nature of the operation. Only equipment that can be expected to operate in compliance with all rules and regulations with very little monitoring by District inspectors can be issued various locations permits.

In addition, various locations equipment cannot operate at any one location for more than twelve consecutive months. Any equipment that replaces the equipment at a location and is intended to perform the same function as the equipment being replaced shall be included in calculating the time period.

The equipment listed below has demonstrated that it can meet the above criteria and may be issued various locations permits:

Abrasive Blasting and Controls Aggregate Screening and Crushing Plants and Control Asphalt Day Tankers Asphalt Tar Pots Portable Steam Cleaning and Pressure Washing Equipment Concrete Batch Plants and Control (not Asphalt Concrete Plants) Cement Storage and Control **Open Sand Blasting Open Spray Coating Equipment Pavement Grinders** Pavement Heater & Scarifiers **Pavement Strippers** Portable Internal Combustion Engines (ICE) In-situ Soil Vapor Extraction Equipment and Control Tank Degassing Equipment Wastewater Treatment Equipment and Control Mobile Gasoline/Storage and Dispensing Equipment Storage Silo/Tank (Dry Materials and Control, Non-toxic only)

Additional equipment can be added to the list or approved individually with the approval of the Executive Officer or designee. The project proponent or permit applicant must submit an application for Permit to Construct and Operate with sufficient evidence to demonstrate the equipment will comply all criteria necessary for issuance of a various locations permit. If it is determined the equipment category cannot meet all the criteria for issuance of a various locations permit, the Executive Officer, or designee, may issue a Permit to Construct for a fixed location if the applicant so designates. If the applicant designates cancellation of the application, it will be done without a refund of fees. If a fixed location or cancellation is not acceptable to the applicant and all criteria for issuance of a various locations permit cannot be met, the application shall be processed for denial.

# 4.0 EVALUATION OF APPLICATIONS FOR NEW OR MODIFIED EQUIPMENT

In addition to meeting the requirements of all other applicable District Rules, the equipment shall meet the requirements of Reg. XIII, RECLAIM and Title V. Toxic emissions at any one location shall be less than Rule 1401 Tier 1 levels, or demonstrated through other analysis approved by the Executive Officer that compliance with Rule 1401 will be achieved at any location the equipment may be operated.

The equipment and any necessary support equipment intended for use at a project shall be evaluated for CEQA compliance. If the project daily emissions exceed the following thresholds, compliance with CEQA must be established before the Permit to Construct may be issued.

55 lb/day NOX or VOC 550 lb/day CO 150 lb/day PM10 or SOX Enforceable daily and annual mass emissions limiting conditions may be imposed to establish compliance with Rule 1401 or CEQA.

Internal combustion engines that are non-road engines per 40 CFR PART 89 shall be evaluated for compliance with Rule 1401 and CEQA and conditioned as indicated above as authorized by federal law.

#### 5.0 REVIEW UPON ANNUAL RENEWAL

Upon annual renewal, the various locations permit shall be reviewed and conditions updated, as necessary, pursuant to Rule 204.

#### 6.0 SPECIAL CONDITIONS ON "VARIOUS LOCATIONS" PERMITS

On all new or modified various locations permits the permit processing engineer will state the following special conditions, in addition to other required conditions:

- 1) Upon the fifth day after placement of this equipment into operation at a new site, the District shall be notified via phone at 1-800-CUT SMOG of the exact nature of the project as follows:
  - A. the permit number of the portable equipment
  - 2. the name and phone number of a contact person
  - 3. the location where the portable equipment will be operated
  - 4. the estimated time the portable equipment will be located at the site
  - 5. description of the project
  - 6. If less than ¼ mile, the distance to the nearest sensitive receptor, defined as:

Long-Term Health Care Facilities, Rehabilitation Centers. Convalescent Centers, Retirement Homes, Residences, Schools, Playgrounds, Child Care Centers, and Athletic Facilities

Sources operating portable equipment primarily at a single facility permitted under a various locations permit may elect to an alternative condition to notify the AQMD only when the equipment is moved outside the facility, as long as it does not remain at any one location within the facility for more than 12 consecutive months. A facility shall be defined as any source or group of sources or other air contaminant-emitting activities which are located on one or more contiguous properties within the District, in actual physical contact or separated solely by a public roadway or other public right-of-way, and are owned or operated by the same person (or by persons under common control). Those electing this option must also agree to a condition to maintain records demonstrating the equipment does not reside at any one location within the facility (exclusive of a designated storage area) for more than 12 consecutive months. These records shall be made available to the AQMD upon request.

2) This portable equipment shall not reside at the same location for more than 12 consecutive months. Any equipment that replaces the equipment at a site and is intended to perform the same function as the equipment being replaced shall be included in calculating the time period. The equipment shall not remain or reside at a location for a period of less than 12 consecutive months where such a period represents the full length of normal annual source operations such as a seasonal source; or the equipment is removed from one location for a period and then it or its equivalent is returned to the same location thereby circumventing the portable equipment residence time requirements; or the equipment is moved at a site with no apparent operational reason other than to establish a new operational period. The period during which the equipment is maintained at a designated storage facility shall be excluded from the residency time determination.



# South Coast Air Quality Management District Procedure. Procedure.

# SCAQMD COMPLIANCE POLICY

Subject: PORTABLE EQUIPMENT Date: February 18, 1999

INSPECTION No. E-5

Compliance personnel will determine whether equipment authorized to operate at various locations has a potential to create an adverse local impact.

#### 8.0 PURPOSE

This policy is intended to provide a means by which every individual in the South Coast Air Basin (Basin) is guaranteed the same benefits of clean air. Additionally, this policy shall ensure that the movement and subsequent operation of portable equipment does not cause localized adverse air quality impacts to sensitive receptors.

#### 9.0 PROCEDURES

- a. Operators of portable equipment are required by permit condition to notify the District of the nature and duration of the project on the fifth day after placement of the portable equipment in operation at a site. Upon receipt of the notification, the Area Source Team (AST) Supervisor will determine if an inspection or other action is warranted.
- b. If an on-site inspection is warranted, a District Inspector shall inspect the source and complete Form E-5, Compliance Determination for Portable Equipment, for further evaluation. Upon completion of the inspection, Form E-5 shall immediately be forwarded to the AST Supervisor for review. If the AST Supervisor determines a potential local adverse impact, the AST Director shall immediately be notified for review and concurrence. Upon confirmation, the AST Director will recommend the formation of a Community Response Team (CRT), or other action as appropriate. If formed, the CRT Coordinator shall determine the appropriate steps to follow, which may include, but not be limited to potential mitigation measures, ambient air monitoring, source testing, air quality simulation modeling, review for compliance with CEQA mitigation measures, notification of other public agencies, and public outreach.
- c. If a potential local adverse impact is determined, the AST Director or designee shall advise the contact person designated by the portable equipment permittee to determine what, if any, voluntary mitigation measures the source operator will implement. These measures are in addition to any actions required to alleviate rule or permit condition violations. If the source does not volunteer sufficient mitigation measures, the AST Director shall contact the CRT Coordinator to initiate predetermined District actions to abate any adverse local impact. This would further reduce the potential of the public being adversely impacted by the operation of the portable equipment and any associated activities resulting from the specific project.

- d. If portable equipment is discovered during a routine facility inspection, or a complaint is received and verified due to operation of portable equipment, then the inspector shall forward Form E-5 to the AST Supervisor immediately following the initial investigation. This action will be in addition to actions required per subparagraph (f) of this section.
- e. The CRT Coordinator shall be responsible for ensuring that voluntary or District initiated mitigation measures are implemented, and shall report to the Executive Officer the status of all activities as necessary.
- f. District inspectors shall enforce all applicable rules, regulations, Permit to Operate conditions, policies and guidelines to ensure that the operation of the portable equipment does not adversely impact any individual within the Basin. This includes issuance of notices or other actions specified in AQMD policies and procedures.

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